

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

223 A



FROM: Don Kent, Treasurer-Tax Collector

SUBMITTAL DATE:
September 2, 2015

SUBJECT: Treasurer's Monthly Disclosure Report on Investments

RECOMMENDED MOTION: That the Board of Supervisors receives and files the Treasurer's "Monthly Disclosure Report on Investments" dated August 2015.

BACKGROUND:

Summary


The County Treasurer and Tax Collector is submitting the above noted report to the County Board of Supervisors in keeping with Section 53607 of the California Government Code, which requires a quarterly report on the status of investments. The practice has been to provide the Board with a monthly report. The report gives the various statistics on the portfolio as to overall composition, liquidity structure, credit quality on the various securities, and provides several trends on earning performance, average weighted maturity, and the portfolio's "paper loss or gain".



Don Kent
Treasurer-Tax Collector

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input checked="" type="checkbox"/> Policy <input type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

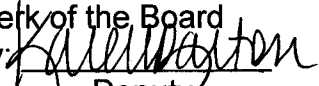
SOURCE OF FUNDS:	Budget Adjustment: No
	For Fiscal Year: 2015/2016

C.E.O. RECOMMENDATION: APPROVE
BY: 
County Executive Office Signature **Samuel Wong**

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Washington and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and recommended.

Ayes: Jeffries, Tavaglione, Washington, Benoit and Ashley
Nays: None
Absent: None
Date: September 22, 2015
xc: Treasurer

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

Prev. Agn. Ref.: _____ **District:** _____ **Agenda Number:** _____

2-7

- A-30
- Positions Added
- 4/5 Vote
- Change Order

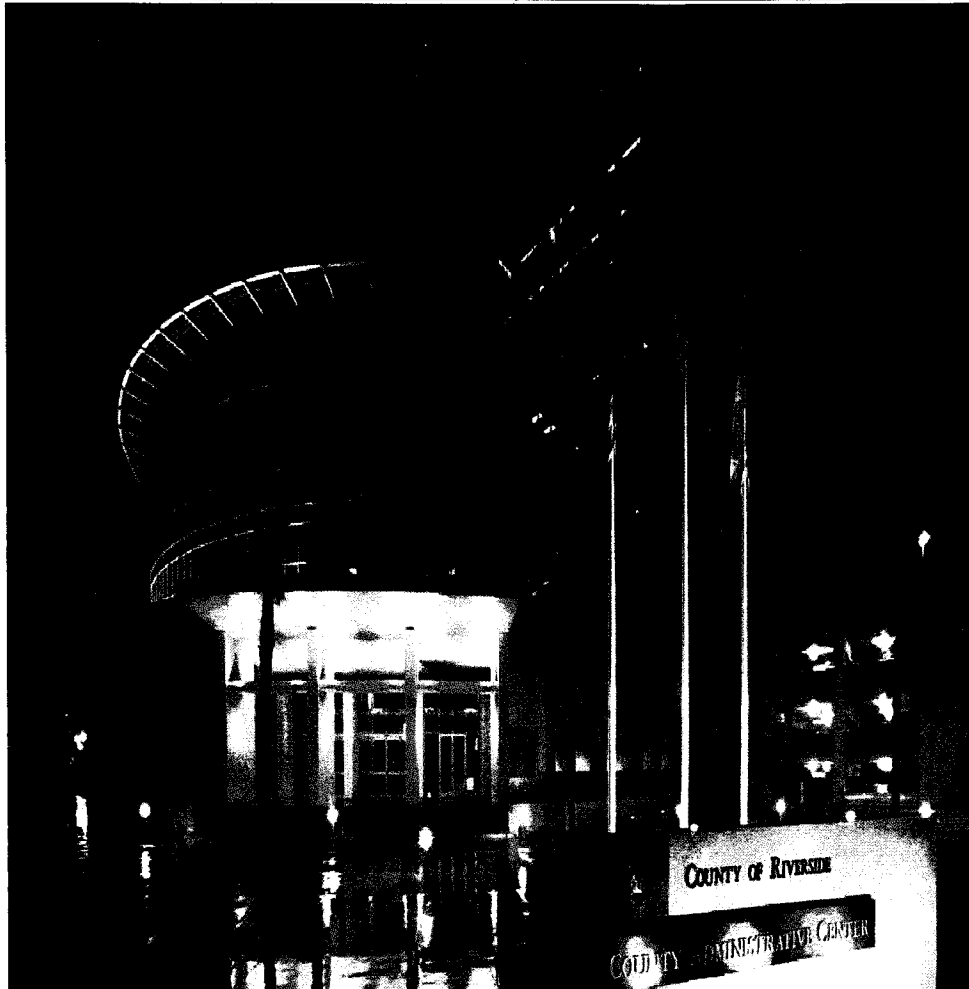
Departmental Concurrence



County of Riverside

August 2015

Treasurer's Pooled Investment Fund



Capital Markets Team

Don Kent
Treasurer-Tax Collector

Jon Christensen
Asst. Treasurer-Tax Collector

Giovane Pizano
Investment Manager

Isela Licea
Asst. Investment Manager

Investment Objectives

The primary objective of the treasurer shall be to safeguard the principal of the funds under the treasurer's control, meet the liquidity needs of the depositor, and achieve a return on the funds under his or her control.

COUNTY OF RIVERSIDE TREASURER'S POOLED INVESTMENT FUND IS CURRENTLY RATED: Aaa-bf BY MOODY'S INVESTOR'S SERVICE AND AAA/V1 BY FITCH RATINGS

	Month End Market Value (\$)*	Month End Book Value (\$)	Paper Gain or Loss (\$)	Paper Gain or Loss (%)	Book Yield (%)	Yrs to Maturity	Modified Duration
August	5,919,900,024.76	5,919,457,634.55	442,390.21	0.01	0.50	1.17	1.14
July	6,376,089,738.27	6,374,589,823.83	1,499,914.44	0.02	0.44	1.05	1.02
June	6,066,709,103.68	6,066,193,436.81	515,666.87	0.01	0.44	1.10	1.07
May	6,231,402,163.99	6,230,332,224.20	1,069,939.79	0.02	0.42	1.09	1.07
April	6,834,465,478.09	6,833,283,754.08	1,181,724.01	0.02	0.40	1.04	1.02
March	5,730,402,540.40	5,728,600,174.74	1,802,365.66	0.03	0.46	1.25	1.22

The Treasurer's Pooled Investment Fund is comprised of the County, Schools, Special Districts, and other Discretionary Depositors.

Current Market Data

Economic Indicators

Release Date	Indicator	2015 (M)	2014 (M)
08/07/2015	Non-Farm Payrolls M/M change: Counts the number of paid employees working part-time or full-time in the nation's business and government establishments.	212,000	215,000
08/07/2015	Employment Situation: Measures the number of unemployed as a percentage of the labor force.	5.3%	5.3%
08/26/2015	Durable Goods Orders - M/M change: Reflects the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods.	-0.4%	2.0%
08/27/2015	Real Gross Domestic Product - Q/Q change: The broadest measure of aggregate economic activity and encompasses every sector of the economy. GDP is the country's most comprehensive economic scorecard.	2.7%	3.7%
08/25/2015	Consumer Confidence: Measures consumer attitudes on present economic conditions and expectations of future conditions.	94.0	101.5
08/04/2015	Factory Orders M/M change: Represents the dollar level of new orders for both durable and nondurable goods.	1.7%	1.8%
08/19/2015	Consumer Price Index - M/M change: The Consumer Price Index is a measure of the average price level of a fixed basket of goods and services purchased by consumers.	0.2%	0.1%

Stock Indices

	Value	Change
Dow Jones (DJIA)	\$ 16,528.03	\$ (1,217.95)
S&P 500 Index	\$ 1,972.18	\$ (136.45)
NASDAQ (NDX)	\$ 4,776.50	\$ 177.91

Commodities

	Value	Change
Nymex Crude	\$ 49.20	\$ 0.68
Gold (USD/OZ)	\$ 1,134.80	\$ 46.23

US Treasury Curve (M/M)



Fed Funds Target Rate

Fed Funds Target Rate	Probability	Probability
Decrease to 0.00%	42.0%	51.3%
Increase to 0.25%	58.0%	48.7%
Increase to 0.50%	42.0%	44.6%
Increase to 0.75%	0.0%	6.7%
Increase to 1%	0.0%	0.0%

FOMC Meeting Schedule

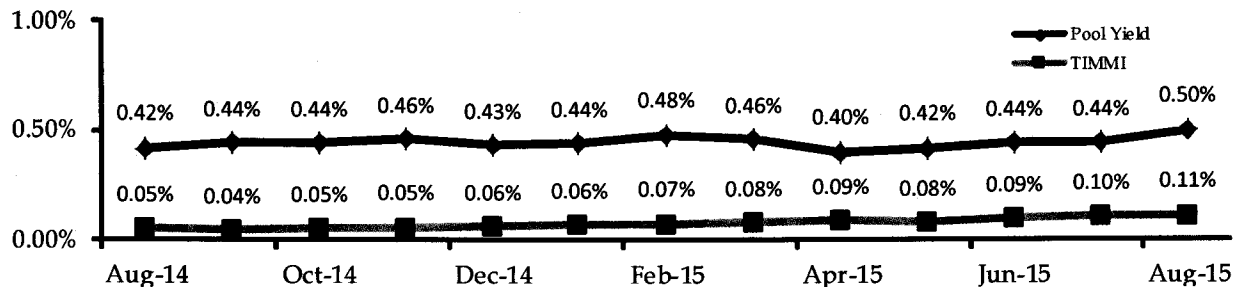
Release	Rate	Assessment
17-Jun	0-.25%	Growth
29-Jul	0-.25%	Growth

TIMMI

The Treasurer's Institutional Money Market Index (TIMMI) is compiled and reported by the Riverside County Treasurer's Capital Markets division. It is a composite index derived from four AAA rated prime institutional money market funds. Similar to the Treasurer's Office, prime money market funds invest in a diversified portfolio of U.S. dollar denominated money market instruments including U.S. Treasuries, government agencies, commercial paper, certificates of deposits, repurchase agreements, etc. TIMMI is currently comprised of the five multi billion dollar funds listed below.

AAA Rated Prime Institutional Money Market Funds

Fidelity Prime Institutional MMF	FIPXX	0.14%
Federated Prime Obligations Fund	POIXX	0.08%
Wells Fargo Advantage Heritage	WFJXX	0.13%
Morgan Stanley Institutional Prime Liquidity Fund	MPFXX	0.08%
JP Morgan	CJPXX	0.11%



Cash Flows

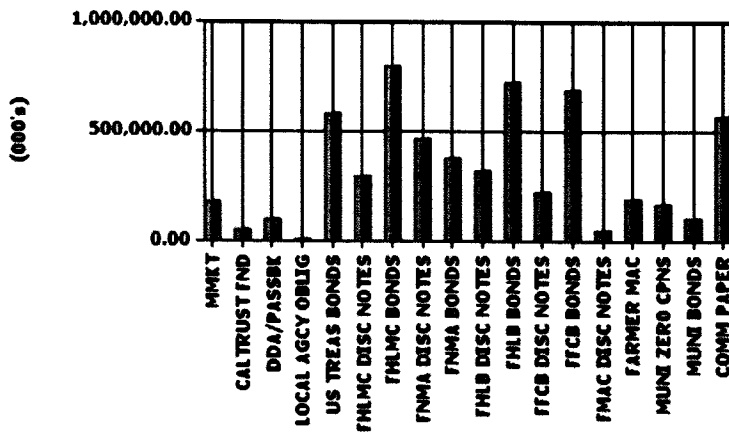
Month	Monthly Receipts	Monthly Disbursements	Difference	Required Maturity Investments	Balance	Actual Investments Maturing	Available to Invest > 1 Year
09/2015					223.05		
09/2015	800.00	1,000.00	(200.00)		23.05	700.00	
10/2015	975.00	1,150.00	(175.00)	151.95	-	483.34	
11/2015	1,150.00	900.00	250.00		250.00	336.81	
12/2015	1,900.00	975.00	925.00		1,175.00	0.00	
01/2016	901.94	1,593.66	(691.72)		483.28	675.07	
02/2016	875.00	1,000.00	(125.00)		358.28	659.23	
03/2016	1,100.00	970.00	130.00		488.28	40.00	
04/2016	1,611.36	970.00	641.36		1,129.64	10.00	
05/2016	712.44	1,350.00	(637.56)		492.08	639.73	
06/2016	1,150.00	1,550.00	(400.00)		92.08	499.00	
07/2016	1,100.00	1,050.00	50.00		142.08	126.30	
08/2016	720.00	950.00	(230.00)	87.92	-	208.00	
TOTALS	12,995.74	13,458.66	(462.92)	239.87	4,856.82	4,377.48	5,679.53
				4.05%		73.95%	95.95%

* All values reported in millions (\$).

The Pooled Investment Fund cash flow requirements are based upon a 12 month historical cash flow model. Based upon projected cash receipts and maturing investments, there are sufficient funds to meet future cash flow disbursements over the next 12 months.

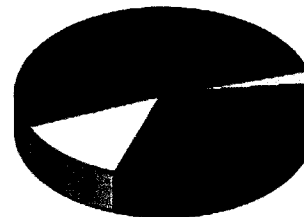
Asset Allocation

Assets (000's)	Scheduled Par	Scheduled Book	Scheduled Market	Mkt/ Sch Book	Yield	WAL (Yr)	Mat (Yr)
MMKT	180,000.00	180,000.00	180,000.00	100.00%	0.10%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.50%	.003	.003
DDA/PASSBK	100,000.00	100,000.00	100,000.00	100.00%	0.08%	.003	.003
LOCAL AGCY	365.00	365.00	365.00	100.00%	0.94%	4.795	4.795
US TREAS BONDS	585,000.00	585,311.37	585,213.40	99.98%	0.35%	.743	.743
FHLMC DISC	297,302.00	296,948.96	297,010.79	100.02%	0.17%	.403	.403
FHLMC BONDS	802,323.00	802,384.12	802,413.09	100.00%	1.33%	1.885	3.430
FNMA DISC	469,188.00	468,584.30	468,738.30	100.03%	0.19%	.341	.341
FNMA BONDS	381,141.00	381,075.44	381,165.25	100.02%	0.80%	2.012	2.094
FHLB DISC NOTES	322,103.00	321,464.29	321,712.43	100.08%	0.24%	.504	.504
FHLB BONDS	726,846.43	726,806.13	726,558.19	99.97%	0.57%	1.123	1.353
FFCB DISC NOTES	225,000.00	224,523.58	224,618.04	100.04%	0.26%	.536	.536
FFCB BONDS	691,616.00	691,596.31	691,374.57	99.97%	0.35%	.958	.958
FMAC DISC NOTES	50,000.00	49,878.49	49,963.75	100.17%	0.26%	.340	.340
FARMER MAC	193,850.00	193,848.00	193,931.83	100.04%	1.02%	1.887	2.584
MUNI ZERO CPNS	168,834.00	168,753.36	168,814.93	100.04%	0.16%	.067	.067
MUNI BONDS	103,275.00	104,192.77	104,192.77	100.00%	0.65%	1.129	1.129
COMM PAPER	570,000.00	569,725.51	569,827.69	100.02%	0.16%	.157	.157
Totals (000's):	5,920,843.43	5,919,457.63	5,919,900.02	100.01%	0.50%	.905	1.171



SCHEDULED PAR %

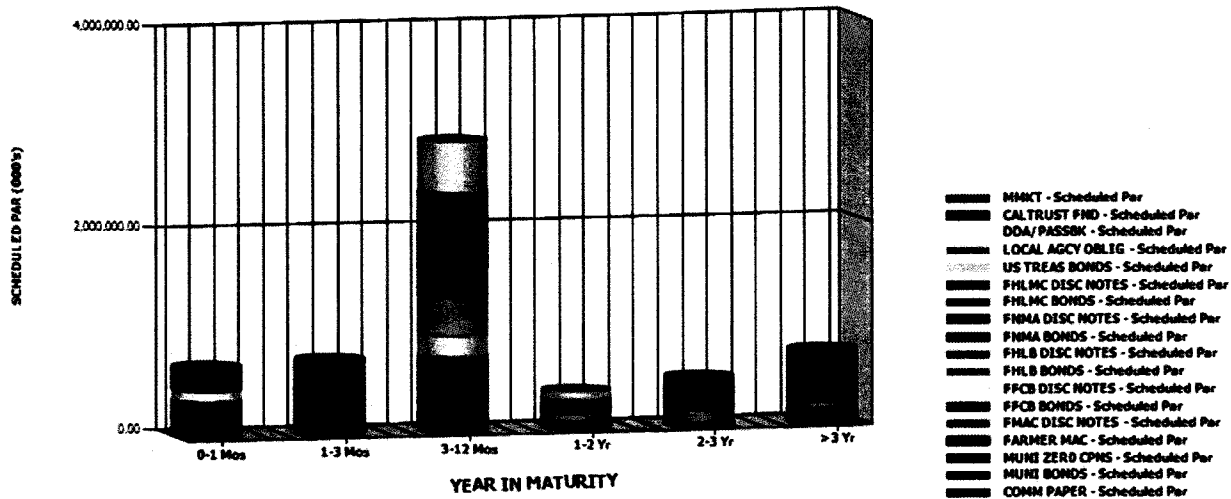
■ Scheduled Book ■ Market



- MMKT - 3%
- CALTRUST FND - 1%
- DDA/PASSBK - 2%
- LOCAL AGCY OBLIG - 0%
- US TREAS BONDS - 10%
- FHLMC DISC NOTES - 5%
- FHLMC BONDS - 14%
- FNMA DISC NOTES - 8%
- FNMA BONDS - 6%
- FHLB DISC NOTES - 5%
- FHLB BONDS - 12%
- FFCB DISC NOTES - 4%
- FFCB BONDS - 12%
- FMAC DISC NOTES - 1%
- FARMER MAC - 3%
- MUNI ZERO CPNS - 3%
- MUNI BONDS - 2%
- COMM PAPER - 10%

Maturity Distribution

MMKT	180,000.00	-	-	-	-	-	180,000.00
CALTRUST FND	54,000.00	-	-	-	-	-	54,000.00
DDA/PASSBK	100,000.00	-	-	-	-	-	100,000.00
LOCAL AGCY OBLIG	-	-	-	-	-	365.00	365.00
US TREAS BONDS	-	-	510,000.00	75,000.00	-	-	585,000.00
FHLMC DISC NOTES	-	25,000.00	272,302.00	-	-	-	297,302.00
FHLMC BONDS	-	-	120,366.00	100,130.00	87,550.00	494,277.00	802,323.00
FNMA DISC NOTES	160,000.00	20,000.00	289,188.00	-	-	-	469,188.00
FNMA BONDS	-	5,000.00	76,597.00	43,007.00	236,562.00	19,975.00	381,141.00
FHLB DISC NOTES	-	51,862.00	270,241.00	-	-	-	322,103.00
FHLB BONDS	25,000.00	48,000.00	381,200.00	77,000.00	131,000.00	64,646.43	726,846.43
FFCB DISC NOTES	-	20,000.00	205,000.00	-	-	-	225,000.00
FFCB BONDS	10,000.00	20,000.00	526,616.00	85,000.00	-	50,000.00	691,616.00
FMAC DISC NOTES	-	25,000.00	25,000.00	-	-	-	50,000.00
FARMER MAC	-	-	90,000.00	-	8,850.00	95,000.00	193,850.00
MUNI ZERO CPNS	91,000.00	77,834.00	-	-	-	-	168,834.00
MUNI BONDS	-	13,155.00	65,120.00	-	25,000.00	-	103,275.00
COMM PAPER	80,000.00	440,000.00	50,000.00	-	-	-	570,000.00

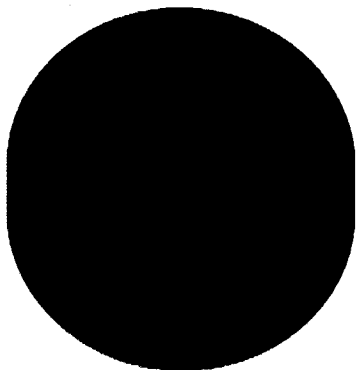


Credit Quality

Aaa	5,048,034.43	5,046,080.56	5,046,211.61	100.00%	0.52%
Aa	5,000.00	4,998.50	5,001.60	100.06%	1.01%
Aa1	100,000.00	99,958.29	99,979.46	100.02%	0.14%
Aa2	234,904.00	234,814.11	234,869.86	100.02%	0.18%
Aa3	188,690.00	189,514.69	189,576.91	100.03%	0.42%
NR	344,215.00	344,091.49	344,260.58	100.05%	0.63%

MOODY'S

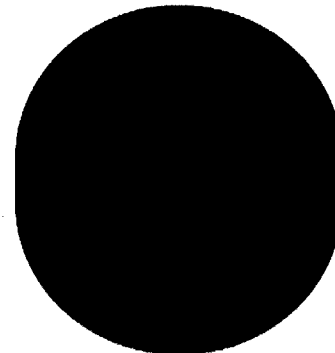
BOOK %



Aaa - 85%
 Aa1 - 2%
 Aa3 - 3%
 Aa - 0%
 Aa2 - 4%
 NR - 6%

S & P

BOOK %



AAA - 10%
 AA - 3%
 AA+ - 70%
 NR - 6%
 AA - 6%

AAA	574,703.00	574,545.58	574,850.16	100.01%	0.19%
AA+	4,498,331.43	4,496,527.44	4,496,630.91	100.00%	0.56%
AA	352,904.00	353,695.04	353,768.93	100.02%	0.28%
AA-	150,690.00	150,598.08	150,659.54	100.04%	0.24%
NR	344,215.00	344,091.49	344,260.58	100.05%	0.63%

Full Compliance

The Treasurer's Pooled Investment Fund was in FULL COMPLIANCE with the Treasurer's Statement of Investment Policy. The County's Investment Policy is more restrictive than the California Government Code. This policy is reviewed annually by the County's Investment Oversight Committee and approved by the County Board of Supervisors.



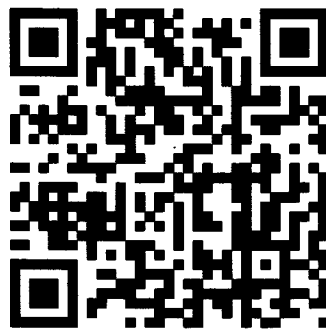
MUNICIPAL BONDS (MUNI)	5 YEARS	NO LIMIT	NA	3 YEARS	15%	AA-/Aa3/AA-	4.61%
U.S. TREASURIES	5 YEARS	NO LIMIT	NA	5 YEARS	100%	NA	9.89%
LOCAL AGENCY OBLIGATIONS (LAO)	5 YEARS	NO LIMIT	NA	3 YEARS	2.5%	INVESTMENT GRADE	0.01%
FEDERAL AGENCIES	5 YEARS	NO LIMIT	AAA	5 YEARS	100%	NA	70.23%
COMMERCIAL PAPER (CP)	270 DAYS	40%	A1/P1	270 DAYS	40%	A1/P1/F1	9.62%
CERTIFICATE & TIME DEPOSITS (NCD & TCD)	5 YEARS	30%	NA	1 YEAR	25% Combined	A1/P1/F1	0.00%
REPURCHASE AGREEMENTS (REPO)	1 YEARS	NO LIMIT	NA	45 DAYS	40% max, 25% in term repo over 7 days	A1/P1/F1	0.00%
REVERSE REPOS	92 DAYS	20%	NA	60 DAYS	10%	NA	0.00%
MEDIUM TERM NOTES (MTNO)	5 YEARS	30%	A	3 YEARS	20%	AA/Aa2/AA	0.00%
CALTRUST SHORT TERM FUND	NA	NA	NA	DAILY LIQUIDITY	1.0%	NA	0.91%
MONEY MARKET MUTUAL FUNDS (MMF)	60 DAYS ⁽¹⁾	20%	AAA/Aaa ⁽²⁾	DAILY LIQUIDITY	20%	AAA by 2 Of 3 RATINGS AGC.	3.04%
LOCAL AGENCY INVESTMENT FUND (LAIF)	NA	NA	NA	DAILY LIQUIDITY	Max \$50 million	NA	0.00%
CASH/DEPOSIT ACCOUNT	NA	NA	NA	NA	NA	NA	1.69%

¹ Mutual Funds maturity may be interpreted as weighted average maturity not exceeding 60 days.

² Or must have an investment advisor with not less than 5 years experience and with assets under management of \$500,000,000.



THIS COMPLETES THE REPORT REQUIREMENTS OF CALIFORNIA GOVERNMENT CODE 53646



County of Riverside
Treasurer-Tax Collector
Capital Markets

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